

## GLOSSARY OF TERMS

APPROPRIATION	--	An authorization made by the City Council which permits the city to incur obligations and to make expenditures of resources.
BASE BUDGET	--	Cost of continuing the existing levels of service in the current budget year.
BUDGET	--	The annual fiscal year document which outlines expected revenues and expenditures.
BUDGET ADJUSTMENT	--	A procedure to revise a budget appropriation either by City Council approval through the adoption of a budget resolution or by City Manager authorization to adjust appropriations within a departmental budget.
BUDGET OFFICER	--	The person responsible for developing and maintaining the annual budget, reporting periodically to the Finance and Budget Director and City Manager the status of the budget, and ensuring that all budget procedures are complied with.
BUSINESS UNIT	--	The term used to categorize and numerically identify a specific cost center. Thus, 12003 identifies the cost center for the City Manager.
CAPITAL IMPROV. PROG.	--	A long term financing and expenditure plan for the improvement or acquisition of capital facilities and equipment.
CAPITAL OUTLAY	--	Items greater than \$500 in value with a life expectancy of more than one year. Also known as "Capital Expenditure".
CHART OF ACCOUNTS	--	The numerical listing and description of all funds, activities, accounts and sub-accounts used by the city to manage its money. All money managed by the city must be assigned to a "Chart of Accounts" listing.

CITY COUNCIL	--	This body is responsible for approving the annual budget, any adjustments thereto, and for ensuring the city's overall fiscal integrity.
CLASSIFIED FULL-TIME (CLFT)	--	A permanent full-time position for which there is a class specification detailing tasks and minimum qualifications.
DEPARTMENT	--	The designated organizational title for a total grouping of divisions which are complimentary or dependent in nature.
DEPT. OF FIN. & ADMIN.	--	Also known as "DFA". The New Mexico State agency responsible for overseeing municipal finances.
DIVISION	--	Designated organizational title which reflects a single operation or group of similar operations. A division can stand alone or be supported by a listing of sections and units.
ENCUMBRANCE	--	The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.
EXEMPT (EX)	--	A position of employment exempt from the city Personnel Ordinance and city Rules and Regulations.
EXPANSION REQUEST	--	The request for additional funding of new programs or positions that were not appropriated in the current fiscal year.
EXPENDITURE	--	Any payment disbursed by the city from the city's accounts. An expenditure may only be made against an approved budgeted amount.
FINANCE & BUDGET DIR.	--	The individual responsible for providing financial, budgeting and administrative support services to all departments of city government.
FINANCE COMMITTEE	--	A standing committee of the City Council appointed by the Mayor which reviews financial and budget matters and forwards recommendations to the City Council for action.

FUND	--	The term used to identify a specific area of revenues and expenditures for a single purpose. The first four digits of the accounting system numbers designate the fund. The first digit identifies the fund category such as general, enterprise, agency, etc..
FUND BALANCE	--	The excess of assets over liabilities and reserves and is therefore also known as surplus funds.
GEN. OBLIGATION BONDS	--	Bonds sold by the city to finance capital improvements. The property tax is the source of revenues for payment of these bonds.
GRANT	--	Funds awarded to the city for a <u>specific</u> purpose. A separate fund is usually established for each grant and all revenues and expenditures are accounted for in that fund.
LOCAL GOVERNMENT DIV.	--	The division of DFA which is specifically empowered to ensure that municipal governments comply with state regulations.
OBJECT CODE	--	A six digit code directly following the business unit number which identifies the type of revenue or expense account. Thus, 12003.530100 identifies it as Office Supplies for the City Managers Office.
ORDINANCE	--	A permanent rule of action, a law, enacted by the City Council.
PROGRAM	--	Those activities within operating areas designed to achieve specific goals and objectives.
RESERVE	--	An account used to indicate that a portion of a fund's asset are legally restricted for a specific purpose and is, therefore, not available for general appropriation.
REVENUE	--	Any money received by the city as a fee, tax, grant or other source.
REVENUE BOND	--	Bonds sold by the city to finance capital acquisitions and paid from gross receipts taxes or enterprise fund revenues.

REVENUE ESTIMATE	--	The amount of revenue anticipated to be collected during the fiscal year.
RESOLUTION	--	The formal expression of the opinion or will of the governing body, adopted by vote.
SECTION	--	Designated organizational title for a specific group of activities within a division. Though numerous services may be provided under one section, these services would not be applicable to other operational areas.
TEMPORARY FULL-TIME (TFT)	--	A temporary position which requires the service of an employee for less than one year.
TERM CITY FUNDED (TCF)	--	A position which requires the services of an employee over a determined period of time beyond one year and which is partially or totally funded by city taxes or service fees.
TERM GRANT FUNDED (TGF)	--	A position which requires the services of an employee over a determined period of time beyond one year and which is partially or totally grant funded.
TRANSFER	--	Any movement of money between funds, activities, accounts and sub-accounts.
TRIAL BALANCE	--	In a double entry accounting system, a report showing a balance between debits and credits.
UNIT	--	Designated organizational title for a specific program (task), provided within each division or section and designed for specific benefit of the general public or city organization.
VACANCY SAVINGS	--	The term used to describe the result of budget savings realized from an authorized position or several positions being vacant for part of the fiscal year or for the entire fiscal year. It can also be realized from hiring a person at a lesser amount than what the authorized position was appropriated for.